

Issa Calls for Immediate Legislative Solution, Questions Wisdom of Providing Ongoing Federal Support

From Today's Huffington Post: "As IG, he ran into trouble the way most independent investigators do -- by investigating things people didn't want investigated. Kelley's office had been working with SIGTARP Neil Barofsky, the Special Inspector General overseeing the bank bailout -- the Temporary Asset Relief Program -- when the agency head challenged his authority to operate and asked the FHFA General Counsel's office to look into it."

WASHINGTON. D.C. – House Committee on Oversight and Government Reform Ranking Member Darrell Issa (R-CA) today questioned the wisdom of providing ongoing federal support to the Federal Housing Finance Agency (FHFA) amid [reports](#) that the FHFA, which has jurisdiction over Fannie Mae and Freddie Mac, is operating without an Inspector General. Legislation Congress approved 18 months ago replaced the Federal Housing Finance Board (FHFB) with the FHFA.

“It is absolutely unconscionable that Fannie Mae and Freddie Mac, which were at the heart of the subprime housing collapse last fall that sent our economy into a tail-spin, should be without independent oversight at a time when the federal government now owns over half of all the mortgages in the United States,” Issa said. “These two government-sponsored enterprises have become the largest taxpayer bailout in American history and for the Obama Administration and the Democratic Congress to leave Fannie and Freddie without proper oversight while they petition for billions of taxpayer dollars flies in the face of common-sense.”

Issa called on Congress to institute an immediate legislative fix and that the former FHFB IG, Ed Kelley, and staff receive acting IG status until a permanent solution is in place and will begin an immediate investigation into the matter.

“Until this issue is resolved, Congress should question the wisdom of continuing to provide taxpayer support to Fannie and Freddie until proper oversight is in place,” Issa said. “There is no way that Congress intended for there to be no IG for the FHFA and if we need to go back and fix this legislatively – we should do so immediately.”